

# San Francisco Chronicle

## **Time for the state to invest more in UC and its future**

Bill Bagley Friday, October 26, 2007

The 10-campus University of California system, acclaimed as the top public research university in the world, is suffering from decades of forced fiscal neglect. State funding for university annual operations has decreased from more than 60 percent in the 1960s to less than 30 percent in the first decade of the 21st century. Few people took notice until The Chronicle and the Sacramento Bee, prompted by California Treasurer Bill Lockyer (a UC Berkeley alumnus), started this public dialogue.

Lockyer did not, as some thought, advocate "privatizing" the university to replace state support - he did issue words of warning to voters. Essentially, Lockyer said Californians must rise to the occasion. Our university (and other infrastructure) is suffering; the state is abdicating. If you do not act, we might just have to take the University of California private.

That warning needs to be expanded and explained. Legislators, in this term-limited era, no longer think in the long term and thus fail to address the ongoing needs and concerns of the state. They gratefully allow huge fee and tuition increases to replace the hard task of supplying money from the state's General Fund to the university. As a result, although low-income students benefit from grants and university fee subsidies, middle-class parents are being creamed. Yet the Legislature and governors find it easier to have the UC Regents continue to raise tuition. What has emerged is a de facto state policy of partial privatization of the university, with the cost borne on the backs of parents.

For perspective on this, go back 50 years. There was no tuition then at UC - I paid an annual \$60 "incidental" fee, until graduating in 1949. By the 1950s, fees ran about \$75 per year. Tuition today is near \$7,500, a 10,000 percent increase in 50 years compared to an inflation rate of 1,000 percent.

Why this dramatic disparity? Blame ballot-box budgeting, Proposition 13, Proposition 98 (which requires a minimum percentage of the state's budget to be spent on K-14 funding), and other decisions. Governmental processes and physics are similar, in that vacuums attract.

In 1978, Proposition 13 severely limited local government's ability to fund what then were local obligations, such as schools and courts. That vacuum was filled by the state assuming the financing, and the power over, health and welfare costs, even the whole local court system. Throughout succeeding decades, voters drained through ballot-box budgeting virtually every remaining discretionary state budget dollar, with the result that the University of California receives today only about a \$3 billion state "contribution" to its regular annual operating budget of about \$12 billion.

Over the years, the university has been a great economic engine for our state. But we are well on our way to doing it and the state permanent harm unless all of us respond to State Treasurer Bill Lockyer's words of warning and wisdom.

*Bill Bagley served 13 years on the UC Board of Regents, 1989 to 2002. He also represented Marin and Sonoma counties in the state Assembly from 1961 to 1974.*